
FISCAL UPDATE Article

Fiscal Services Division

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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

AUDIT REPORT — CITY OF YALE

Special Investigation. On March 27, 2018, the Auditor of State released a report of a special investigation of the City of Yale for the period of January 1, 2008, through January 31, 2016. The investigation resulted from concerns about certain financial transactions processed by the former City Clerk, Renee Van Gundy.

On the same day, the Auditor of State also released a report of a similar investigation of the City of Bayard that also involved the same individual during her tenure as City Clerk in Bayard. See the related **Fiscal Update Article** [here](#).

Findings. The special investigation of the City of Yale identified \$29,174 in improper and unsupported disbursements and undeposited utility collections. Included in that amount is \$22,795 in improper disbursements for Ms. Van Gundy's personal utility and cell phone bills, personal purchases made with the city's credit card, unauthorized payroll and reimbursement checks issued to Ms. Van Gundy, and payments to other vendors.

Also included in the total is \$5,456 in unsupported disbursements, where missing documentation made it impossible to determine whether the payments were for city operations or personal in nature. Also identified were undeposited utility collections totaling \$923, which were the result of Ms. Van Gundy not properly paying her city utility bill on her personal residence.

The report of the special investigation also notes that \$3,098 in Christmas bonuses were paid to Ms. Van Gundy and the Street and Water Supervisor. The bonuses were approved by the City Council, but did not meet requirements for a clearly defined public purpose.

Recommendations. The report makes recommendations to strengthen the City's internal controls, including better segregation of duties, performing utility reconciliations, maintaining proper supporting documentation, and ensuring timely approval and payment of obligations.

The full report can be found on the Auditor of State's website [here](#).

LSA Staff Contact: Robin Madison (515.281.5270) robin.madison@legis.iowa.gov

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